



A BILL

FOR AN ACT TO AMEND SECTION TWO THOUSAND AND SEVENTY-ONE (2071) OF THE CODE, AS AMENDED BY CHAPTER FORTY-NINE (49) OF THE ACTS OF THE TWENTY-SEVENTH GENERAL ASSEMBLY OF 1898, RELATING TO LIABILITY FOR NEGLIGENCE OR WRONGS OF EMPLOYEES, AND TO PRIOR CONTRACTS NOT A BAR OR DEFENSE TO CAUSE OF ACTION.

Be It Enacted by the General Assembly of the State of Iowa:

SECTION 1. Employer's insurance benefits to be promptly paid, and not to be used by the
2 employer as a means of coercing an unfair settlement of liability for personal injuries: That
3 section number two thousand and seventy-one (2071) of the Code, as amended by chapter
4 forty-nine (49) of the acts of the Twenty-seventh General Assembly, be and the same is hereby
5 amended by adding at the end of said act as amended the following:
6 "Nor shall such corporation, person or association as a condition precedent to the paying
7 of any such insurance, relief, benefit or indemnity, demand or insist that the insured person, his
8 widow, heirs, executors, administrators or assigns make or enter into any release, dis-
9 charge, acquittance, covenant not to sue, or any contract of like purport, to the employer cov-
10 ering such employer's liability in consequence of injuries, sickness or death, any agreement
11 to the contrary notwithstanding; and any such contract not supported by a fair considera-
12 tion shall be held to be a receipt on account. And where, without just cause or reasonable ex-
13 cuse, any such corporation, person or association shall fail to pay the full amount of any such
14 insurance, relief, benefit or indemnity to the person injured, his widow, heirs, legal repre-
15 sentatives or assigns, within thirty (30) days following demand in writing made therefor, such
16 insuring person, corporation or association shall thereupon be liable for and pay to the bene-
17 ficiary of such contract, in addition to the principal sum provided for therein, interest at the
18 legal rate from date of service of demand for such payment, together with the further sum
19 of twelve per cent of the principal sum as damages to such beneficiary, and, in addition, a
20 reasonable attorney's fee, to be allowed by the court, and taxed as part of the costs, for the
21 prosecution and collection of such insurance, relief, benefit or indemnity.